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**BasePoint and Bohan Group Help Investment Banks Uncover Portfolio Fraud Risk**

*BasePoint integrates with mortgage due diligence process to effectively pinpoint risky loans within an Investment Bank's portfolio*

**Carlsbad, Calif. – August 6, 2007** – [BasePoint Analytics](#), a leading provider of predictive analytic fraud and risk management solutions, today announced it has integrated its Enhanced Fraud Review with Bohan Group's residential mortgage due diligence process to quickly and efficiently identify loans with high fraud risk within an investment bank's existing loan portfolio. By using this newly integrated process in combination with BasePoint's leading FraudMark™ for Investment Banking scoring solution, investment banks can effectively identify those loans within their portfolio that have a high likelihood of default due to egregious misrepresentation in the original loan application. This quick identification of at-risk loans helps the investment banks begin appropriate treatments right away, often before delinquency occurs.

BasePoint's FraudMark solution is the first fraud score to be used to evaluate each loan within an investment bank's portfolio overnight. The investment bank's portfolio is rank ordered using the FraudMark score, with the riskiest loans receiving the highest scores. BasePoint also provides the investment bank additional analyses that rank order fraud risk by lender, loan type and other key criteria selected by the investment bank. This risk ranked data is then used by the investment bank to create a highly targeted and selective sample for the Enhanced Fraud Review.

Once the loan sample is selected, a team of BasePoint-certified Bohan due diligence analysts uses BasePoint's Enhanced Fraud Review in conjunction with Bohan's BRAIN® system to confirm whether significant misrepresentations are present in the original loan files, indicating fraud. This enables Bohan to leverage BasePoint's FraudMark scoring technology so that they can perform the most effective review on high-risk loan files to confirm potential fraud quickly. During the past several months, BasePoint has identified over \$900 million in high risk loans for five leading investment banking firms.

"The Bohan Group is constantly seeking the best solutions to enhance our due diligence services. We have found that BasePoint's FraudMark scoring and Enhanced Fraud Review help guide our due diligence underwriters through a targeted process to investigate high risk loans, confirming misrepresentations more quickly," said Mark Hughes, president of Bohan Group LLC. "BasePoint's specialized fraud review training for our employees also substantially speeds up the process of confirming misrepresentations in high scoring loans, providing real savings to our mutual clients."

Automatically assessing the fraud risk in a total portfolio, within a pool of loans available for sale, or at the individual loan level so that those with the highest associated fraud risk can be selected for further investigation during the due diligence process enables investment banks to dramatically decrease fraud risk in their investment portfolios. During the past year, BasePoint has helped originators, investment banks, private equity firms, and due diligence companies identify over \$2 billion in confirmed fraud and suspicious loans and applications that were prevented from funding or purchase.

“Investment Banks and leading due diligence companies such as Bohan Group are increasingly turning to BasePoint to provide fraud scoring technology, advanced risk analytics for pinpointing the loans needing review, and an expedited process to confirm misrepresentations,” said Tim Grace, President and CEO of BasePoint. “We are excited to work with progressive business partners such as Bohan Group to provide better solutions and services to investment banks so that they can effectively pin-point fraudulent mortgage loans that should not be purchased.”

### **About Bohan Group LLC**

Bohan Group LLC was founded in 1995 to provide risk analysis and transaction support services to the capital markets, including the largest investment banks on Wall Street. For the past twelve years, its resources and expertise, in combination with its advanced proprietary technology, have given the company the ability to provide clients with valuable portfolio insights in a timely and efficient manner. The firm's due diligence expertise extends to a variety of asset types including all residential mortgage products as well as nonperforming loan products. As an industry-leading firm with offices nationwide and a strategic partner of First American CoreLogic, Bohan Group has managed over 6,000 transactions totaling over \$400 Billion. For more information, visit [www.bohangroup.com](http://www.bohangroup.com) or call 212-279-4572.

### **About BasePoint**

BasePoint Analytics is a leading provider of predictive analytic fraud and risk management solutions for global banks and the mortgage industry. Using proprietary pattern-recognition technology, BasePoint quickly identifies potentially fraudulent or high risk activity, minimizing losses while accelerating the processing of non-risky records. The company's fraud experts have deep, real-world domain expertise and have successfully solved fraud and risk challenges for many high profile lending institutions. BasePoint's industry-leading customers include: Aegis Funding Corporation, MasterCard Worldwide and several top 20 global banks. BasePoint clients achieve dramatic improvements in fraud and loss detection performance using a predictive analytic approach rather than traditional methods. BasePoint is headquartered in Carlsbad, California, and has a strategic partnership with First American Real Estate Solutions. For more information, visit [www.basepointanalytics.com](http://www.basepointanalytics.com) or call 1-760-602-4971.

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